

Activity and Accountability Report 2024



Table of contents

Foreword	3
Orkla’s strategy for sustainability and social responsibility	3
Method and approach	4
Definition of categories	4
Definition of salary components	4
Process and involvement	4
Mapping and status	5
Gender distribution	5
Equal pay	5
Temporary employees and part-time work	7
Use of leave	7
Future measures	9
Salary and compensation	9
Gender balance in management teams	9
Inclusion and adapted working life	9
Conclusion	9

Foreword

Orkla ASA is a leading industrial investment company within brands and consumer-oriented companies. The company has a long-term and strategic approach to investments and creates value by combining strong brand expertise with the mindset of an investment company. Together with its portfolio companies, subsidiaries and other investments, the Orkla Group is one of Norway's leading businesses, with strong market positions in the Nordic and Baltic countries, Central Europe and selected global markets.

This report constitutes Orkla ASA's activity and accountability report in accordance with the Norwegian Equality and Anti-Discrimination Act, and applies to Orkla ASA's employees in Norway. Activity and accountability reports for Orkla's portfolio companies are published separately, either as part of the companies' annual reports or as separate reports on the companies' websites.

Orkla's strategy for sustainability and social responsibility

Sustainability is an integral part of Orkla's corporate strategy and includes a clear responsibility to safeguard human rights, promote equal opportunities and strengthen diversity and inclusion throughout the organisation. Orkla's Code of Conduct expresses zero tolerance for harassment and discrimination, regardless of age, gender identity, sexual orientation, disability, ethnicity, religion, political opinion, national or social background, or any other characteristic protected by EU or national law. An important part of Orkla's sustainability ambition is to empower people in and around our business so that they can contribute to positive social change.

Progress on sustainability work is closely monitored: The CEO and management team of Orkla ASA are evaluated annually on progress in relation to the sustainability strategy, and several of the goals are integrated into the company's incentive and bonus schemes. A more detailed description of the strategy and specific measures can be found in Orkla's sustainability report, which is part of the annual report and available at orkla.com.



Method and approach

This chapter describes the methodology and approach to mapping the status of gender equality. The mapping includes analyses of gender pay differences, forms of employment (part-time and temporary positions) and use of leave. The risk of discrimination on other grounds such as ethnicity, religion, disability, sexual orientation, gender identity, and age is also assessed and discussed later in the report.

Definition of categories

An important part of the salary mapping has been to identify positions of equal value, so that the analyses provide a fair and meaningful picture of salary levels and position structure. To do this, we have categorised the company’s positions into the following groups, which reflect responsibility, competence and position in the organisation:

Group 1	CEO	Stated on a separate line, as the role has a separate position and is not directly comparable with other levels
Group 2	Management Team	Highest level in the company, reporting to the CEO
Group 3	Senior Vice Presidents (SVPs)	Managers with functional responsibility, reporting directly to the management team
Group 4	Middle managers and senior advisors	Middle management level with extensive experience and broad expertise
Group 5	Senior consultants	Specialists with several years of experience in their field
Group 6	Consultants	Professionals with a few years of experience and operational responsibility
Group 7	Administrative staff and recent graduates	Employees in support functions or early in their career, with operational or administrative responsibility

As part of our work, we have mapped relevant factors to obtain a comprehensive picture of the status of the organisation, including:

- Gender distribution at different levels
- Salary levels and any salary differences
- Use of full-time and part-time employment
- Temporary employment
- Use of leave
- Risk of bias or unequal treatment, for example in terms of salaries, recruitment, promotions or gendered division of labour

Although not all areas are necessarily relevant to Orkla ASA as an organisation, they are discussed in the analysis to ensure that all requirements in the reporting obligation are covered.

To ensure anonymisation and safeguard privacy, we follow the recommendations related to the duty to report and the obligation to issue a statement, as described by the Norwegian Directorate for Children, Youth and Family Affairs (Bufdir). This means that the results of the mapping are only reported if there are five or more employees of each gender in each job category. On this basis, it has been decided not to include salary analyses and statistics for group 5 (senior consultants) and group 7 (administrative staff and recent graduates), as there are fewer than five employees of each gender in these categories. The exception is the management team (group 2), where salary information has already been published through the report on salaries and remuneration of senior executives, and we have therefore chosen to include these figures in the report.

Definition of salary components

The salary mapping in this report follows the recommendations from Bufdir for the definition and categorisation of salary components. The analysis includes the following two main categories:

Cash compensation: This includes all taxable salary payments in cash, including agreed fixed salary (monthly salary), fixed cash supplements (e.g., functional supplements, special responsibility supplements) and bonus payments disbursed in the reporting year 2024. This category does not include overtime pay, holiday pay or other variable benefits not paid in the reporting year.

Taxable benefits in kind: This includes benefits that are not categorised as salary, but which have a financial value and are taxable, such as a company car or car allowance, coverage of electronic communication and other taxable benefits in kind.

Process and involvement

Work on the activity duty and related obligation to issue a statement has been embedded in the management team at Orkla ASA. The report has been reviewed by the Board’s Compensation Committee and the Board of Directors.

The process has involved HR and the company’s sustainability team, who have played a key role in the analyses and assessment of measures. In addition, the methodology and findings have been presented to and discussed with the Working Environment Committee, where employee representatives have also provided their input and supported the methodology used in the work.

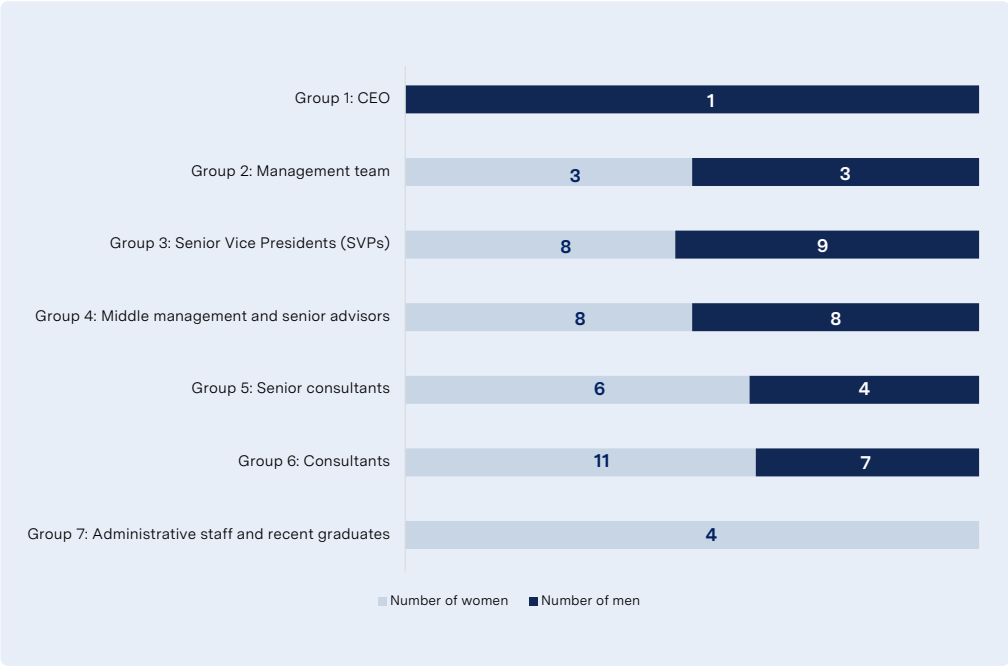
Mapping of status

This chapter presents the main findings from the analyses of gender balance, pay, forms of work, use of leave and diversity at Orkla ASA as at 31 December 2024¹.

Gender distribution

As at 31 December 2024, Orkla ASA had a total of 72 employees in Norway, 40 women and 32 men. The gender distribution by job category is as follows:

Gender distribution in different job categories



Equal pay

In accordance with the activity duty and duty to issue a statement, Orkla ASA has analysed salary conditions between women and men. The analysis is based on compensation paid in cash and total taxable benefits in kind, in line with the recommendations of the Norwegian Directorate for Children, Youth and Family Affairs (Bufdir). This provides an overall assessment of total compensation between the genders.

The table below shows women’s earnings as a percentage of men’s earnings in the job categories where anonymisation requirements are met (minimum of five employees of each gender):

Women’s earnings as a percentage of men’s earnings

	Cash compensation Total cash compensation	Benefits in kind Total taxable benefits in kind
Group 1 CEO	Position uniquely filled	Position uniquely filled
Group 2 Management team	81%	100%
Group 3 Senior Vice Presidents (SVPs)	77%	105%
Group 4 Managers and senior advisors	105%	202%
Group 5 Senior consultants	Not enough data points	Not enough data points
Group 6 Consultants	91%	100%
Group 7 Administrative staff and recent graduates	Not enough data points	Not enough data points

Description of findings

Group 1 CEO

Separate figures are not reported for the CEO, as the position is uniquely filled. The salary level for the CEO of Orkla ASA is instead stated in the company's report on salaries and remuneration of senior executives for 2024, which is available in its entirety at Orkla.com.

Group 2 Management team

On average, women in the management team earn 81% of men's cash compensation (fixed salary and bonus). The difference is partly due to the fact that women and men have different roles with different responsibilities. In addition, many of the men have been recruited externally after the transition to an investment company and bring with them higher salaries from previous roles. The majority of the women have a long history with Orkla and their salaries have developed internally. This contributes to explaining part of the salary differences. In terms of taxable benefits in kind, women and men in this group receive benefits at the same level (100%).

Group 3 Senior Vice Presidents (SVPs)

On average, women at the executive level earn 77% of the cash compensation earned by men. One important explanation is that more men in this group participate in the company's bonus programmes. Previously, certain positions were exempt from such arrangements, partly to fulfil functions related to independence and control. This is now in the process of changing. In addition, some of the women in the group took up their positions during the year and therefore only received partial bonuses or were not eligible for bonuses in 2024. If we adjust for this and estimate bonuses based on average achievement for the group, women's share increases to 90% of men's cash compensation. Furthermore, there is now a man in the group who was previously part of the management team, but who has retained his previous, higher salary level. This contributes to raising the average for men. In terms of taxable benefits in kind, women receive on average 105% of the level received by men. This is mainly due to the fact that all the women in the group receive a car allowance, while some men do not. Otherwise, the benefits are comparable between the genders.

Group 4 Middle managers and senior advisors

On average, women in this group receive 105% of the cash compensation received by men. Fixed salaries are roughly the same, but more women participate in bonus schemes with higher limits, resulting in higher bonus payments and thus higher total compensation. In terms of taxable benefits in kind, women receive 202% of men's level. This is due to women having a higher average car allowance, combined with a greater number of men not receiving this benefit, thereby reducing the average for men.

Group 5 Senior consultant

Salary data is not reported for this group, as there are fewer than five employees of each gender. This is in line with the anonymisation requirements in the activity duty and related obligation to issue a statement.

Group 6 Consultants

On average, women receive 91% of the cash compensation received by men. The group consists of positions both with and without individual bonuses. Men are more likely to have bonus agreements, while women are more evenly distributed across both types of positions. This contributes to lower average cash benefits for women. Benefits in kind are equally distributed between the genders in this group (100%).

Group 7 Administrative staff and recent graduates

Salary data is not reported for this group either, as there are fewer than five employees of each gender. This is in accordance with the anonymisation requirements in the activity duty and related obligation to issue a statement.

Total

On average, women receive 61% of men's cash compensation and 82% of their taxable benefits in kind, in total. When the CEO is excluded, the shares increase to 75% and 85%, respectively. The differences are due to the fact that there is currently a higher proportion of men in positions with higher salary levels, while women are represented to a greater extent in other job categories. This affects the average for each gender.

Summary of salary analysis

Orkla ASA has carried out extensive analyses of salary levels to uncover any systematic gender-based disparities. In addition to descriptive analyses of cash compensation and benefits in kind, the company has also conducted regression analyses to investigate whether gender is a significant explanation for salary differences. The variables gender, job level and age were included in the regression analyses to assess their impact on salary levels. The results showed that neither gender nor age has a significant explanatory effect on salary level (significance level > 0.05), while job level was strongly correlated with salary level (significance level < 0.001). This indicates that differences in salary can largely be explained by job category, and not by gender or age alone.

The analyses show that there are more men in the upper job categories, which contributes to increasing the average for men. Orkla ASA works systematically to increase the proportion of women in its management teams, which is discussed in more detail later in the report. Several of the observed differences can also be traced back to historical compensation agreements, such as who has been included in various bonus schemes or has had access to car allowances. This has created inequalities between employees at the same level, depending on which position they previously held or which organisational structure they belonged to.

The company is now working actively to harmonise the compensation packages for comparable roles. The aim is to move away from a practice where employees in similar positions have different compensation elements, such as car allowances or bonuses, based on historical conditions. At the same time, we recognise that some differences may persist for a period of time as a result of existing agreements. However, the ambition is to gradually establish a fairer and more consistent compensation practice where the content of the package reflects the individual's responsibilities, tasks and performance to the greatest extent possible.

In addition, there may be salary differences between women and men that cannot be explained by previous agreements or other objective factors. Orkla ASA has therefore established procedures for systematically identifying and assessing such cases, with the aim of correcting any imbalances. The chapter "Future measures" describes how the company works continuously to monitor and strengthen fairness in salary practices.

Temporary employees and part-time work

For reasons of anonymisation requirements, details of leave use are not reported. In general, the extent of temporary employment and part-time work at Orkla ASA is very low, and there are no systematic differences between women and men.

Use of leave

For reasons of anonymisation requirements, details of leave use are not reported. Orkla ASA endeavours to ensure that both women and men are able exercise their rights to leave in a balanced manner, and the company will monitor developments over time to ensure that the measures implemented are adequate.



Other risks of discrimination and Orkla ASA's efforts to counteract them

Orkla's policies are implemented through various measures to ensure that discrimination is prevented, minimised and addressed when detected, and to promote diversity and inclusion in general. This is done through training and awareness raising, active monitoring and reporting. In 2024, Orkla ASA conducted training in strategic diversity, gender equality and inclusion for Orkla's Investment Committee and members of Orkla's Investment Team. Orkla ASA also engaged in dialogue with selected business partners to focus more attention on gender balance and diversity management in general. Orkla ASA has identified key areas where there may be a risk of discrimination or barriers to gender equality. These areas have been selected in line with the activity duty and duty to issue a statement. The introduction explains why risk may arise, and then describes how Orkla ASA works to minimise this risk.

Recruitment

There may be a risk of unconscious bias in the recruitment process. To counteract this, Orkla ASA has established a standardised process in which HR and managers work together to ensure that job advertisements are designed to be gender-neutral and inclusive. The company actively encourages candidates with diverse backgrounds to apply. When selecting external recruitment agencies, it is emphasised that the agencies have a conscious approach to diversity and inclusion, and that they are able to present a wide range of candidates.

During the interviews, structured interview guides are used to ensure that all candidates have the same opportunity to answer relevant questions, and to prevent questions being asked about matters that may be discriminatory or irrelevant to the position.

Promotion and development opportunities

There may be a risk of bias in the allocation of development opportunities and promotions. At the Group level, Orkla ASA has a strategic goal of strengthening the gender balance in management teams. As far as Orkla ASA is concerned, there are currently more women in management roles and with personnel responsibility than men (54% women compared with 46% men).

Harassment and working environment

There is a risk that harassment or sexual harassment may occur. Orkla ASA has zero tolerance for harassment, sexual harassment and violence. There are established whistleblowing channels, and the principles for handling such matters are set out in the company's Code of Conduct. Both managers and employees are expected to familiarise themselves and comply with these principles.

Opportunities for work-life balance

There may be a risk that employees are not given sufficient flexibility to combine work and family life. Orkla ASA practises flexible working hours and opportunities for leave of absence when needed, including in the event of illness of children or family members. If necessary, individual agreements can be made for further adaptation. The occupational health service assists both managers and employees in such processes.

Future measures

Orkla ASA has defined several future measures to promote gender equality, prevent discrimination and strengthen inclusion in the organisation. These measures are a continuation of the work already described in the report, and build on the analyses and findings of the mapping.

Salary and compensation

The equal pay mapping at Orkla ASA shows that, on average, women in certain job categories receive lower compensation than men. However, statistical regression analyses that include gender, job level and age show that gender is not a significant explanatory factor for the observed differences. This indicates that the differences can largely be attributed to other factors, which are discussed in more detail in the report.

A key explanation is that men are more likely than women to hold positions involving greater responsibility, complexity and experience requirements, even within the same job category. Such positions typically have a higher salary level. To counteract any systematic bias, Orkla ASA conducts annual assessments of the full-time equivalent and level of responsibility of positions to ensure objective and consistent assessments, regardless of gender.

In recent years, the company has also recruited more women to senior roles as part of its efforts to strengthen the gender balance at management level. This is part of the Group's overall goal of increased representation and equal opportunities.

Historical differences in compensation elements such as bonus programmes and car allowances have also contributed to salary variations between employees. Orkla ASA is therefore working to standardise the compensation packages in order to even out differences due to previous agreements or different practices.

As a further measure, managers are encouraged to actively use the annual salary review to correct any imbalances that are not objectively justified – this applies to both women and men. Where necessary, the company has allocated additional salary frameworks to make adjustments in cases where individual employees' salaries have been significantly lower than those in comparable positions, and where targeted compensation has been required to ensure a fairer and more competitive level.

Gender balance in management teams

The company has a strategic goal of strengthening the gender balance in management teams at Group level. Equal pay and gender balance in management teams are included as elements in the CEO and management team's bonus programmes, and progress in these areas is measured and reported regularly to the Board of Directors. In 2024, Orkla ASA's

Board of Directors endorsed a set of draft sustainability goals towards 2030 that included a target to have a gender-balanced Board of Directors, management team and employees overall, where no gender is overrepresented (>60%)².

Inclusion and adapted working life

As part of its efforts to ensure an inclusive working environment and good adaptation when needed, Orkla ASA has included questions about adapted working life and inclusion in its employee survey. This provides valuable insight into employees' own perceptions of their working environment, including whether they experience sufficient adaptation, equal opportunities and an inclusive community. The results of the survey enable the company to identify areas with potential for improvement and implement targeted measures if there is a need for adjustments or further follow-up.

Conclusion

Orkla ASA is committed to promoting equality, diversity and inclusion at all levels of the organisation. The company will continue its systematic work on mapping, analysing and implementing measures to ensure that all employees enjoy equal opportunities and fair treatment, regardless of gender or other grounds for discrimination. The work is followed up through embedding in senior management and continuous evaluation of progress.

